

Mayor Steven M. Fulop



2014

State of the City Address

Thursday, February 27th, 2014

6:00 p.m.

Saint Peter's University, Mac Mahon Student Center
47 Glenwood Avenue, Jersey City, NJ 07306

Good evening.

President Cornaccia, Council President, Council members, Reverend Clergy and most importantly, my fellow Jersey City residents, thank you for joining with me tonight as I reflect upon the state of our city.

We were elected last year on a clear mandate for progressive change. There was a pressing need to forge a common future for our community. Progressive change doesn't mean alienating one community or being divisive with rhetoric for the sake of motivating a political base, rather progressive change means setting clear goals for the future that provide opportunities for all.

For decades, Jersey City had been able to leverage its proximity to New York City. Old industrial sites gave way to gleaming residential skyscrapers; battered docks and abandoned railroad yards became parks and streetscapes. Yet, while there was investment downtown, too many other parts of the city were slowly deteriorating. All in all, there was a sense of multiple cities within Jersey City.

My goal was – and is – to forge one city. We won't alienate business or success, but rather embrace and encourage it as we move Jersey City forward. We have made solid progress and we're picking up speed. But there is much more to do before we can declare Jersey City is the best mid-size city in America.

Tonight, I stand before you to report on the state of our city and my many priorities. In each area, whether public safety, education, taxes, or development – I will provide you not with platitudes, but rather with clear, quantifiable goals. We know expectations are high, as they should be. I know we will succeed. I believe in our team, and I believe in Jersey City.

Before we can change our city's landscape and build economic opportunities, there must be a sense of safety. This past summer as we took office, seven murders in five weeks resulted in heightened fears and concerns. As an administration and as a city, we were determined to stop the violence. We immediately reassigned officers so more police were on patrol and implemented a series of sweeps, resulting in more than 200 arrests. To address the shootings, we created a Ceasefire Unit to investigate and give priority to non-fatal shootings. This unit has a successful solve rate of 53 percent, more than double the New Jersey average.

In large measure we have succeeded in turning the page on crime, but there is still more to do. Let me be clear, Jersey City is the safest big city in New Jersey.

Through the leadership of our Public Safety Director Jim Shea, Police Chief Robert Cowan, the commitment of community and religious leaders, and the courage of our uniformed men and women, we will continue to build upon the progress we have made.

Another tool we have deployed is a data driven crime analysis system. We are examining 9-1-1 data to isolate hotspots and identify causes of crime spikes. For the first time, we know where crime happens down to the time of day and specific address, and we are reallocating our personnel to those places at those times.

Working with Council President Lavarro and the City Council, we were able to consolidate the Fire and Police departments into one Public Safety Department. This allowed us to cut administrative costs in addition to putting 34 more cops and 26 more firefighters on the streets through new recruit classes. When we took office in July we had 760 sworn officers. Including our current class of recruits, we have 845 uniformed officers. In our pledge to hire additional officers, since July we have already graduated one class of 34 recruits and another class of 40 officers – our most diverse class in the history of our City – is training at the police academy.

Our goal for 2014 is clear: we will reduce crime in the majority of categories of the uniformed crime statistics by double-digit percentages. Period. This is our target. It is clear, ambitious, and we expect to be held to it.

To flourish, a city must be safe. To prosper, its people must feel secure. There is no greater responsibility than the safety of our community. To all uniformed personnel, police, fire and emergency responders, I thank you for what you do this

day, and every day, placing the interests of our residents ahead of your own personal safety. We have set an aggressive goal for this year and we will achieve it together.

With regard to economic development, in next five years, Jersey City will undergo the largest economic expansion in recent history. In fact, Jersey City will be the largest city in New Jersey by the end of 2016. This is not happening by accident.

Our policies are helping to attract commercial, retail and industrial development, creating thousands of new jobs. Jersey City is climbing out of the recession at a faster rate than the state of New Jersey and the United States as a whole. The unemployment rate in Jersey City dropped three percentage points from June to November, whereas the national unemployment rate only dropped half a percentage point. Unemployment in Jersey City is dropping nearly three times faster than in the nation at large. That's why we were confident in creating the first earned sick leave policy in New Jersey, allowing parents to care for themselves or a loved one without losing income.

Jersey City is experiencing an unprecedented boom in development. There are over 5,600 residential units under construction in Journal Square and Downtown alone, the highest level of construction in recent history, along with 200,000 square feet of retail space, and 800,000 square feet of industrial space under construction

around the City right now, and we've approved a further 11,000 housing units.

This surge in development will stimulate our economy and move us toward becoming the best mid-size city in America.

The twenty tallest buildings in the state will be in Jersey City in five years.

During the last big surge in development in the early 2000's, the dollars spent on new construction in Jersey City exceeded the total spent in the rest of state combined. We are on the cusp of what looks like an even bigger boom.

For this year, our goal is clear - **Jersey City will lead the state in job creation, lead the state in new building permits, and lead the state in square footage of new development.**

While the national and state housing markets are just beginning to recover, Jersey City's is flourishing at unprecedented level. Development is not only happening downtown. From McGinley Square to Bergen Lafayette to the West Side we are seeing progress and development. For the first time in decades, steel is coming out of the ground in Journal Square. Ten projects are under way and 23 have already been proposed or approved.

We are not only talking about construction jobs; many new permanent jobs are coming to Jersey City as well. Forbes is bringing 250 jobs, Nautica is bringing 200. DaVita Dialysis is bringing 70 to the Hub and other neighborhoods in Jersey City.

More is on the way and with the change in administration across the river in NYC – there is a unique window to attract business here to Jersey City – we will capitalize on it.

While attracting large commercial and retail employers is important, as our Chamber of Commerce knows, small businesses are the backbone of Jersey City's economy. I take pride in Jersey City's small business owners, such as the group of small businesses that transformed West Side Avenue into a commercial district purely by virtue of hard work and sweat equity, with no help from government. **In 2014 we are now working with West Side Avenue small business owners, Councilman Ramchal, and community stakeholders to develop a West Side Special Improvement District.** The lesson is for government to create a working partnership with our business community.

Development and population growth on this scale will place greater demand on our public transit system. Though we already have the most extensive network in the State, it must grow. We've been working with NJ Transit to expand light rail capacity by 40 percent systemwide this year. We've put 20 more taxis on the street this year and we will install bus shelters this summer. All of this is funded without cost to the taxpayers, or as in the case of the taxis, has resulted in millions of dollars in additional City revenue.

So that Jersey City residents benefit from this economic expansion, our administration is committed to enforcing labor agreements, and holding developers accountable to their worker quotas of Jersey City residents and minorities.

Unemployment is unacceptably high in communities of color, particularly among young men. Jersey City will change this abysmal reality. Developers will meet their obligations to hire Jersey City residents and people of color. When they sign an agreement with the city to undertake both commitments, I can assure you it will be enforced.

Already, we have met with several developers who have committed to being more aggressive in hiring local residents. I commend the Laborers and those developers for their willingness to provide for a special Jersey City apprenticeship class.

Partnering with Pat Kelleher and the Hudson County Building Trades, we are working with juniors and seniors in Jersey City high schools to offer a career in the construction trades.

Education and job training is important. By improving our process for job training, forging new partnerships, and practicing tougher enforcement in labor agreements, **we expect to increase the percentage of successful job placement via the Jersey City Employment and Training by a third. It is a clear goal and one we will achieve.**

Bluntly, when it comes to educating our children, we must do more. Jersey City schools need to be laboratories of innovation that break from the outdated models of 50 years ago. We are in a more competitive global economy and must think differently. The leadership of our school system must be progressive. It cannot afford to plod cautiously into the future while our children fall ever further behind. We need to create competitive educational programs that will better prepare our students for higher education and encourage them to acquire those technical skills so critical for success in today's technology-driven labor market.

Job growth trends reveal that the skills required of the future workforce are changing. Despite the need for greater knowledge and understanding of technical equipment and processes, students are not getting a solid technical education.

But we will change that in Jersey City. Months ago, I toured Eastern Millworks, an advanced manufacturing firm located in Caven Point that provides designer woodwork to some of the most exclusive venues in the world. I recognized the challenge for Eastern Millwork and its president Andrew Campbell is not lack of work, but lack of skilled workers.

To address this challenge, I am assembling a High Tech Education Taskforce, Co-chaired by Mr. Campbell with Vice President Gail Spak of NJIT to design a pilot program for Jersey City students to enter the workforce with technical

competencies. With Eastern Millwork, PSE&G, UPS, Goya, and Tropicana, we will establish a mentor program which will afford students familiarity with applied mechatronics and advanced manufacturing processes during their senior year in high school, followed by intensive academic and technical education at NJIT. NJIT will offer credit-courses both in-person and online in engineering, robotics and mechatronics. **This program has the potential to be a model for the state of New Jersey.**

As our City grows, so too does our school population. Jersey City is the only urban school district in New Jersey that's growing. According to a recent demographic study by the district, Jersey City public schools will grow by more than 4,000 students in the next five years.

The fastest growing segment of our school population is pre-K. Many couples in Jersey City hope to raise a family here, and quality education options are critical to their decisions regarding whether to remain part of our community. To close the gap between growing pre-K demand and supply our administration is leveraging development tools to support the building of new pre-K facilities across the City.

There are two new pre-K facilities presently under planning and one existing facility – a former charter school — that is being proposed for the Board of Education. The City has offered to partially finance the new facility in Ward B –

this would be a first in the City's history. We have also incentivized a developer to build an Early Childhood Center in Ward E and lease it to the Board of Education at about 40% below market rent, and offered to deeply discount the rent at the former charter school in Ward E. If we are able to move forward, the new facilities will house the Board of Education's nationally-recognized pre-K programs.

As the Board of Education well knows, we will not support new pre-k facilities in downtown only, while having children in other parts of the city housed in school trailers and over-crowded schools. **I call upon our residents to challenge the School District to support the creation of these school facilities for the benefit of our children – not only in one area of the city.**

Despite initial progress, we still have concern as to how the School District spends its money. With many dedicated teachers, support staff, and administrative professionals, Jersey City Public Schools should be a model for New Jersey. In fact, that is our goal. Unfortunately, many of our schools are still falling short of the mark. During the 2012-2013 school year, the statewide spending per pupil averaged \$18,030. In contrast, Jersey City Schools spent \$22,260, nearly 24% more than the state average. With an annual budget over \$660 million, the school district must do a better job of budgeting, driving excellence, and financial

transparency. The children and parents of this city do not exist to serve the needs of school leadership; the schools exist to serve the needs of our children.

As an example, the Jersey City school district spent only \$116 per pupil on extracurricular activities during the 2011-2012 school year, 38% less than the state average.

This is alarming considering the challenges facing our children. We know our children are safe and active from 8 AM until 3 PM, September till June, but without programs outside school hours, our children can easily become inactive or worse, involved with street life. **To address this, Jersey City is providing opportunities and programming after school and during the summer, programming which will provide educational and character building experiences.**

This summer, young people in Jersey City will have an opportunity to give back to their community and earn spending money through the summer employment program known as ‘Stop The Drop.’ Launched last summer, we received positive feedback on the program and will expand it this year to hire even more youth to not only clean up our city, but also as camp counselors, aides, and lifeguards in our community pools.

Fun in the summer is important, but it's also a good time for young people to challenge themselves and learn through authentic work experiences. **City Hall is partnering with some of the largest and most prestigious companies in Jersey City to launch a summer internship program for high-achieving students from high schools across the city.** We have had strong positive response from firms like Direct Edge, Goldman Sachs and Fidelity. This summer, students from Dickinson High School will have the opportunity to intern at Pershing. Students from Snyder will have the opportunity to intern at the Hyatt, and they will receive academic credit and a financial stipend. We will begin accepting student applications in March. This program will open doors to meaningful opportunities for Jersey City youth, and at the same time will bring together youth and the business sector -- two traditionally disparate Jersey City communities.

Just as economic development and job creation provides an economic base, and education is the foundation of our future, culture and arts help to create a community. Complete, balanced, communities create jobs, but they also appreciate and exclaim the value of the arts in our lives. One thing lacking in Jersey City in recent years was a modernized, world class performance arts venue. That's about to change.

The Loew's Jersey, one of five wonder theatres built in the twenties, tells the story of Jersey City itself. We owe a special thanks to the "Friends of the Loew's," a passionate group of volunteers who mounted a promotional campaign to save the theater from imminent demolition. Since that time, Friends of the Loew's has worked diligently to restore it, dedicating thousands of volunteer hours to help restore functionality to the facility.

In order to take the next step with this facility, **we recently issued a public, fair and open solicitation of proposals for the management and restoration of the Loew's Jersey Theatre. We expect to not only fully restore the facility but more importantly will provide patrons with a higher volume and a wider variety of programming, ranging from national and international touring musical acts to the continuation of silent film screenings and other community events. The last five mayors have each tried to achieve this and in 2014, this will be a reality.**

Jersey City's cultural vibrancy is today unparalleled in New Jersey. Unfortunately, in the past few years this has been more despite the City's efforts than because of them. I want our arts community to view the city as a partner and a dynamic launching pad. Since we took office, we have actively engaged the cultural resources of Jersey City. We've made it a priority to always act as a facilitator for

artistic and creative activity in all parts of the city, clearing red tape and other obstacles.

Through the Jersey City Mural Arts Program, we've commissioned nine massive murals on visible walls around the city since July, with another twelve teed up for the spring. We've taken pains to ensure these murals are inspired by the neighborhoods they beautify – that they tell our stories of place and community.

We always give local artists priority, but at the same time, our program has garnered national and international interest, featuring artists from Italy, Hawaii, Japan, New York and South Africa. All of this is financed by a Clean Communities grant, costing you, the taxpayer, nothing.

The horizon for Jersey City's arts community is very bright and we are working to develop signature events with a new arts commission. Jersey City's advancement as an artistic center has not gone unnoticed. The Mana Contemporary, on the west side of town, has grown into a world-class art institution – a cultural center that provides services, space, and programming for artists, collectors, curators, performers, students, and the community.

Later this year the City will embark on a \$1.2 million dollar marketing campaign to tell the story of Jersey City and to continue to attract the creative class. For every dollar that the administration invests in this branding

campaign, the private sector will match us further expanding our reach. Our goal in 2014 is to tell the story of Jersey City and make sure people understand it.

Yet, all of this, the building, the educating, the arts doesn't add up to a city. A city is made by its people and their values.

Whether our "Beat the Street" basketball program, raising money for the Filipino typhoon, or our efforts to beatify our homes; it is serving one another in our daily lives by which we create a community.

And if we have taught our children, grown our economy, protected our seniors, what more is asked of us as a community? So I ask us, as a community, who is there to be served that makes us uncomfortable? For whom we have little sympathy? Who in the midst of our busy and hectic lives is it easy, or even preferable, to forget or ignore?

Nearly 70% of all incarcerated persons in the Hudson County Jail and in New Jersey state prisons are clinically classified as addicts or alcoholics. The addict inmate, upon release, has to struggle to find a place to live, food to eat, and against all odds, a paying job to enable survival. The probability of their securing housing, work, and treatment is almost nonexistent.

In the Corps, we were commanded to never leave a Marine behind. We here in Jersey City also believe no person should be discarded, that no life is unredeemable, so as a progressive and as a marine, we're doing things differently.

Our reentry program is founded on the principle that we all deserve second chances. Successful reentry has three tenets: one, recovery is essential. Second, work and the dignity of work empower the ex-offender both financially and emotionally. Thirdly, ex-offenders need stable, safe and sober housing. Frankly, this has been the most difficult aspect of our reentry efforts.

While we've been working to find jobs for everyone, ex-offender or not, **on Monday, we will formally launch our reentry program which will adhere to these tenets and provide treatment, housing options, and job opportunities to ex offenders, enabling them to become healthy and productive members of society once again. Our goal for this program is to reduce recidivism for ex-offenders by a full third from the Hudson County average in 2014.**

And so, in this is my report to you, my sense that the state of the city is "progressing, growing, and gaining momentum." We aim higher, work harder, and demand more of ourselves as a government and as a people.

My friends, as an administration and government, we have tackled the legacy of corruption and incompetence, and the ills of inefficiency. Progress has been made

on these many fronts. Thanks to these efforts, we are now operating a more efficient government.

There are those who say that government is wasteful and should be curtailed – that it doesn't know how to manage money. I contest that this government is a living counterexample to that notion. With the willingness to make tough budgetary choices we have realized cost savings in many parts of our municipal government, and added \$118 million of ratables to the tax roll. **I am proud to announce that in 2014, we will introduce a budget with a tax reduction and flexibility for the Council.**

Tonight, I'd also like to take this opportunity to say thank you. We must always search for innovation, always seek to serve, and always strive for farsighted stewardship. If we adhere to this path, we will know the fulfillment of our aspirations, the realizations of our dreams, and a prosperous and healthy future for our children. That's what will make Jersey City the best mid-size city in America.

In this special place, Jersey City, to which the tired people traveled past Lady Liberty, let us ensure that their dream, the American Dream, burns as fiercely this day as it has in history. If we do, our children, and our children's children, will know we did all that was required of us to make good on the optimism, courage

and hope for a better life our ancestors carried through the Golden Door to a place we call home, a place called Jersey City.

Thank you, good night, and may God bless Jersey City.